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AFGHANISTAN

SUCCESS STORY

Box Factory Breaks Barriers to Export Markets

USAID and the Dried Fruit Export Association of Kandahar improve Afghan access to international markets.



Photo: USAID/ASMED

Box factory employees make cardboard sheets during the box-production process.

The partnership between the Dried Fruit Export Association of Kandahar and USAID has allowed Afghan traders to ship their produce abroad in sturdy and affordable containers – increasing profits and reducing damage.

A new cardboard box factory in Kandahar allows valuable Afghan exports to reach international markets undamaged. Alleviating a significant export challenge, this production facility produces inexpensive, high-quality containers for shipping exports, such as fresh fruits, vegetables, and other perishable and/or fragile goods. With support from USAID, the Dried Fruit Export Association began operation of the factory in September 2008.

Previously, farmers and traders throughout Afghanistan were forced to export their goods in imported, heavy, and expensive wooden boxes. These containers were double the price of the new cardboard alternative, as well as subject to higher import tariffs and transport costs. Wooden boxes also failed to preserve product quality during transit; too frequently, damaged goods undermined importers' confidence in the quality of Afghan products. Cardboard boxes gently protect produce during shipment without sacrificing the necessary rigidity of a proper shipping carton.

The domestic cardboard box facility also enables printing of company logos, client information, and nation of origin. Both company and national recognition are extremely important to the success of Afghanistan's linkage to international markets.

With increasingly consistent, quality products, and a new capacity for marketing, the use of boxes from the Kandahar box factory increases the competitiveness of Afghan exports. Fresh and dried fruits now safely reach markets in India, Pakistan, and the United Arab Emirates in boxes produced at the Kandahar Box Factory. The factory currently produces 8,000 boxes every 24 hours, employing over 100 Afghans.

Adding to USAID's contribution, the Dried Fruit Export Association contributed financial resources for start-up costs, initial operating expenses, and equipment training. This private sector leverage was made possible with Global Development Alliance (GDA) funding, which are USAID resources dedicated to the formation of public-private development partnerships.